

TERMS OF SALE FOR REDSTONE, COLORADO 05-66-895/905/906/909

GENERAL INFORMATION

The placement of a successful bid at a U.S. Department of the Treasury auction establishes a legally binding contract between the successful bidder and the Government. The auctioneer's announcement of the high bid amount and the bidder's number establishes the contract, which is subject to final acceptance by the Government. This contract is bound by these Terms and Conditions, any Special Terms and Conditions published by the Contractor for the specific auction, 19 CFR Customs Duties Part 162, and all other Federal regulations governing contracts for the purchase of Government property, which may be found at <http://www.arnet.gov/far/>. The successful bidder is legally bound to pay for property awarded in accordance with his/her bid.

EG&G Technical Services, the Contractor, is acting as the agent of the Government with respect to the sale of Government real property at these auctions. The Contractor may videotape the auction and record phone bidding to assist in any future contract resolution actions.

ELIGIBILITY OF BIDDERS

The Bidder warrants that he/she is not: (a) under 18 years of age; (b) an employee of any department or agency of the Federal Government prohibited by the regulations of that agency from purchasing property sold here-under; (c) an agent or immediate member of the household of the employee in (b), above; (d) the Contractor, subcontractor or vendor, or their agent who has access to information concerning the property to be sold at U.S. Department of the Treasury/U.S. Customs Service auctions that is not generally available to the public; (e) presently debarred or declared ineligible for the award of contracts by any Federal agency in accordance with 41CFR 101-45.6; or (f) the party, or agent of the party(s), from whom the property was seized.

The Contractor's subcontractor may not act as agent for a third party in purchasing U.S. Department of the Treasury/U.S. Customs Service real property that is or has been in their custody or control. For breach of this warranty, the Government shall have the right to cancel the contract without liability.

REGISTRATION OF BIDDERS

Persons wishing to participate in the bidding process of the sale are required to obtain, fill out, and deliver a bidder registration card during the registration process for each sale.

In the event a person is bidding on behalf of another party, an original notarized Power of Attorney must be presented at the time of registration. Power of Attorney must include the buying party's social security number.

An individual's signature on the bidder registration card is an acknowledgment of his/her full and complete understanding of all Terms and Conditions and his/her agreement to be bound thereby. Therefore, bidders are cautioned to carefully read all applicable Terms and Conditions contained in this document and the sales flyer/brochure before signing the bidder registration card. Bidders must present a photo ID and evidence of earnest money deposit in the amount of **\$200,000 for Redstone Castle, Carriage House & Stable Complex and \$25,000 for the Victorian Style Home, 410 Redstone Blvd.** in the form of cashier's or certified check made payable to:

EG&G Tech Svcs Inc/ USCS

as a prerequisite of registration.

Each registered bidder will be issued a bidder number upon completion of the registration process. Each bidder is solely responsible for the use of his/her bidder number and any use by another person is presumed to be with the consent of and contractually binding on the registered bidder.

The registrant agrees that, should the registrant be the successful bidder of a property lot, the following information regarding the transaction shall be published on the U.S. Department of the Treasury auction website: (1) the registered bidder's name; (2) the property's address; (3) the purchase price of the property. Electronic Freedom of Information Act Amendments of 1996 (5 U.S.C. 552 (2000)).

GOOD FAITH AND EARNEST MONEY DEPOSITS

Immediately after the bidding is completed the high bidder and second high bidder (Back-Up Bidder) will be required to make a **\$200,000 cashier's check deposit for Redstone Castle, Carriage House & Stable Complex and \$25,000 for the Victorian Style Home, 410 Redstone Blvd.** Good Faith Deposit in the form of a cashier's/certified check made payable to EG&G Tech Svcs Inc/USCS. A real estate contract will be executed at this time by the high bidder and back-up bidder. The terms of the real estate contract supersede the Terms of Sale.

Within five business days, the high bidder shall deliver ten percent (10%) of the Purchase Price (Earnest Money Deposit) less the Good Faith Deposit, whichever is greater, to EG&G Technical Services by cashier's/certified check, payable to EG&G Tech Svcs Inc/USCS or by bank wire transfer. Should the high bidder fail to deliver the earnest money, Seller shall have all rights and remedies provided in the Terms of Sale, including the right to retain the Good Faith Deposit and any other deposits or payments made by the high bidder as liquidated damages.

Bank Wire Instructions:

Northern Trust Company
50 South LaSalle Street
Chicago, IL 60675
Routing No. (ABA) 071-000-152

With Final Credit to:

EG&G Technical Services
Account No: 24171
Ref: Property

Address the successful bidder's deposit(s) will be retained as the initial payment for the property. Personal or business checks, bank letters, or letters of credit will not be accepted. Cashier's checks made payable to the bidder's name CAN NOT be accepted.

BACK-UP BIDDER

The back-up bidder's Good Faith Deposit will be returned by certified mail or overnight delivery service within five (5) business days after receiving total earnest money deposit from the high bidder. In the event earnest money is not received from the high bidder within the time period specified, the back-up bidder will become the high bidder at the Purchase Price stated in the back-up bid contract. The back-up bidder is obligated to transmit earnest money as stated above within three (3) business days of notification. The foregoing liquidated damages provision shall apply to the back-up bidder.

INSPECTION OF PROPERTY

The bidder is invited, urged, and cautioned to inspect the property prior to submitting a bid. Failure to inspect property shall not constitute cause for cancellation of sale. Property will be available for inspection at the times specified by the Contractor. Absolutely no access to property is allowed without prior Contractor authorization. At their own expense, potential bidders may have property inspectors examine the property during regularly scheduled open houses.

LEAD BASED PAINT

Information pertaining to any known lead based paint hazards is contained in the Detailed Information Package (DIP). Buyer acknowledges responsibility for all costs associated with the abatement and remediation of any disclosed or potential hazards associated with the property.

ORAL STATEMENTS AND MODIFICATIONS

Changes may be made on the day of the sale to the property status or descriptions in the sales flyer/ brochure. These changes take precedence over previous sales flyer/ brochure information pertinent to that property, but do not alter in any way the basic Terms and Conditions of sale. Further, no interpretation of any provision of the sales contract, including applicable performance requirements, shall be binding on the Government unless furnished to and agreed upon, in writing, by the Contracting Officer or his/her designated representative.

REAL PROPERTY DESCRIPTIONS

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The bidder understands and agrees that the property is offered, purchased, and accepted by the buyer "AS IS" and "WITH ALL FAULTS." The Government and its agent make no warranties or guarantees whatsoever whether written, oral, or implied as to quality, condition, or habitability.

All information contained in the sales flyer/brochure was derived from sources believed to be correct, but there is no guarantee. Buyer acknowledges that he/she relied entirely on his/her own information, judgment, and inspection of the property.

If a legal misrepresentation is determined before the final closing on the property, the Government reserves the right to cancel the sale and refund any earnest/deposit money paid.

OFFERING OF PROPERTY FOR AUCTION AND SUBMISSION OF BIDS

Once the Government accepts a bid, a final written sales contract will be prepared to include the individual information of the high bidder along with the accepted bid amount. A contract may also be conditionally established with the recognized back-up bidder for execution if the high bidder defaults for any reason or is rejected by the Government.

In the event of a dispute as to final bid amount, the Government reserves the right to review the video and audio tape of the auction for clarification or to re-offer the property in question.

WRITTEN BIDS

Written bids may be submitted in person, by registered mail, or by over-night delivery service if the bidder is unable to attend the auction. The appropriate deposit per property by cashier's/certified check only, must accompany your written bid. The cashier's check deposit must be made payable to: **EG&G Tech Svcs Inc/USCS.**

Written bids for the property must be received no later than **Thursday, March 17, 2005**, at the following address: EG&G Technical Services, Department of the Treasury Seized Real Property Support, 7723 Ashton Avenue, Manassas, VA 20109, Attn: Real Property Sales.

Unsuccessful written bidders' deposits will be sent to the bidders by certified mail or overnight delivery service within five (5) business days after the sale.

LIVE ONLINE BIDDING

If you cannot attend the auction in person, you will be able to bid on all lots in this auction online. Via a simulcast, online bidders will be able to bid competitively with the bidders physically at the sale in real time. All online bidders must pre-register by visiting our website at <http://www.treas.gov/auctions/customs/redstone01.html> and clicking on the simulcast auction registration link. You will be prompted to review the Terms and Conditions of Sale and agree to said Terms in order to establish a user name and password. To complete the registration process, you must print a copy of the registration form and mail it with the appropriate deposit per property as follows made payable to **EG&G Tech Svcs Inc/USCS.** Cashier's checks made payable to the bidder's name CANNOT be accepted:

The Redstone Castle, Carriage House and Stable Complex: \$200,000 cashier's check

The Victorian-style Home: \$25,000 cashier's check

Please note that Internet bidders will be required to register online no later than **Monday, March 14, 2005**, and the appropriate deposit per property as stated above must be received no later than **Wednesday, March 16, 2005**, at the following address: EG&G Technical Services, Department of the Treasury Seized Real Property Support, 7723 Ashton Avenue, Manassas, VA 20109, Attn: Real Property Sales.

At the conclusion of bidding, if the winning bid comes from an online bidder, an e-mail will be sent to the successful bidder confirming the bid amount. The successful bidder must acknowledge receipt of the notice and supply the information requested to validate the bid acceptance. This acknowledgement confirms the price offered by the bidder and is subject to acceptance by the Government. Final payment and closing will be in accordance with the Terms and Conditions of Sale as set forth herein. Unsuccessful internet bidders' deposits will be sent to the bidders by certified mail or overnight delivery service within five (5) business days after the sale.

CONSIDERATION OF BIDS

The Government reserves the right to reject any or all bids, and to waive any technical defects in bids. Property is sold with a minimum reserve price unless the property is, in explicit terms, offered without a minimum reserve price. If the minimum reserve price is not achieved, the Government may withdraw the property at any time before the sales contract is executed.

PROPERTY SURVEY

Buyer will be responsible for the cost of a survey, if applicable, for the property selection the day of the auction. The buyer will reimburse the seller at closing.

FINANCING

The buyer is responsible for obtaining his or her own financing arrangements as required. The Government does not provide financing for the purchase of any property offered under these Terms and Conditions. Bidders are strongly recommended to investigate and secure financing arrangements, if required, prior to attendance at a public offering. Failure to obtain financing during the closing process does not relieve the buyer of his/her legal responsibility and obligation for completion of the contract.

Failure to comply with all provisions of the sales contract regarding closing may result in termination of the contract because of buyer's default and may result in the forfeiture of any earnest/deposit funds.

CLOSING

Closing will be held within 45 calendar days of the date the Government signs the sales contract accepting the Buyer's offer. Closing will be held sooner, with mutual agreement of Buyer and Seller. Only the Seller may, at its discretion, exceed closing beyond 45 calendar days. Closing costs including, without limitation, transfer taxes, documentary stamps, recording fees, and escrow fees will be paid by the Buyer and Seller in accordance with the customs of the county in which the property is located. In the event buyer desires title insurance, it will be at the Buyer's expense. Buyer will pay at closing all assessed Surface Water Charges as set forth in the Detailed Information Package (DIP). The Buyer may obtain a survey within the 45 days closing period at their expense and liability. However, neither the sale nor closing period is contingent upon the results of any survey that might be obtained.

GOVERNMENT DEED

Clear title will be conveyed via a Government deed. Liens and other encumbrances will be paid by the Government. Title insurance is available at buyer's expense.

DEFAULTS

Failure to make required deposit or final payments and/or comply with the time frames specified in the sales flyer/brochure shall be deemed default of the high bidder and may result in cancellation of the contract and forfeiture of any rights, title, and interest the Buyer may have acquired. In that case, title of the property will remain with the Government and will result in the forfeiture of the deposit. If the default occurs because of failure to make the required deposit, the buyer shall be liable to the Government for liquidated damages in the amount of that deposit.

PROPERTY OFFERED FOR SALE BY IRS-CI

In accordance with 18 USC Section 1963(f) and 21 USC Section 853(h) of the Comprehensive Crime Control Act of 1984 and Department of the Treasury Policy, forfeited (real) property will not be sold to the defendant or person(s) acting as his/her agent. A real property sales contract may be cancelled by the Government in compliance with the above statutes or policy.

ADDITIONAL TERMS & CONDITIONS

The preceding contains only selected Terms and Conditions of Sale. Complete Terms and Conditions will be available at the viewing and auction or may be obtained from our website at www.treas.gov/auctions/customs/realprop.html. If all your questions are not answered using our website, or you do not have Internet access, please call our Public Auction Line at (703) 361-3131, ext. 279 or fax (703) 361-3671